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January 31, 2007

Public Service Commission of South Carolina
Attn: Docketing Department
Post Office Drawer 11649
Columbia, SC 29211

RE: Docket No. 2005-385-E

To Whom It May Concern:

Thank you for the opportunity to comment on the Public Service Commission's consideration of Section 1251 (Net Metering and Additional Standards) of the Energy Policy Act of 2005. The issue of net metering is relevant to the environmental mission of the South Carolina Department of Health and Environmental Control (SCDHEC). While electric power production provides a foundation for South Carolina's economy and quality of life, it also contributes to air pollution. It is a challenge for the state to maintain healthy air quality as economic activity and the demand for energy increase.

Levels of ozone pollution in three areas of the state were above the national standard when nonattainment areas for ozone were designated by the Environmental Protection Agency in June 2004. Those areas are progressing towards meeting the standard by the end of the 2007 ozone season. South Carolina's growth will ensure that maintaining healthy air will continue to be a challenge. The National Ambient Air Quality Standards are reviewed periodically for adequacy. These standards may be lowered in the future, which could mean a greater challenge for South Carolina. SCDHEC sees in net metering a potential to help improve air quality by decreasing the demand for utility-generated power during times of peak use, when utility pollutant emissions are typically higher. The promotion of renewable energy can also help in lowering emissions of carbon dioxide, our predominant greenhouse gas.

SCDHEC encourages the Public Service Commission (PSC) to develop a program that inspires confidence in potential customer-generators. The Department does not believe that the potential interest for such a program in South Carolina can be gauged by the interest that has been expressed to date, because recognition by potential customer-generators is in its infancy. A well-crafted program would raise the profile of clean renewable energy generation and public awareness of the opportunity to participate. The Department encourages the PSC to use growth in participation as the yardstick for measuring the efficacy of a net metering program. We look forward to learning the results of the PSC's consideration of net metering.

Thank you for the opportunity to comment on this matter. Should you have any questions, please contact Leslie Coolidge at (803) 898-3208.

Sincerely,

Myra Reece, Chief
Bureau of Air Quality
SC Dept of Health and Environmental Control

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